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Winners:

Fringe Benefit for bicycle commuters. The bill allows employers to provide employees that commute to work using a bicycle limited fringe benefits to offset the costs of such commuting (e.g. bicycle storage). This proposal is estimated to cost $10 million over 10 years.

Income averaging for Exxon Valdez litigation amounts. The bill would allow commercial fisherman and other individuals whose livelihoods were negatively impacted by the 1989 Exxon Valdez oil spill to average any settlement or judgment-related income that they receive in connection with pending litigation in the federal courts over three years for federal tax purposes. The bill would also allow these funds to make contributions to retirement accounts. *This proposal is estimated to cost $215 million over 10 years.*

Long-term extension and modification of renewable energy production tax credit. The bill extends the place-in-service date for four years for qualifying facilities: wind; closed-loop biomass; open-loop biomass; geothermal; small irrigation hydropower; landfill gas; and trash combustion facilities. It also includes a new category of qualifying facilities—facilitates the generate electricity from marine renewables The bill would cap the aggregate amount of tax credits that can be earned for qualifying facilities place in service after December, 31, 2008 to an amount that has a present value equal to 35% of the facility's cost.
This proposal is estimated to cost $6.626 billion over 10 years.

Losers:

Denial of section 199 benefits for certain major integrated oil companies (freeze current benefits at 6%) The bill excludes gross receipts derived from the sale, exchange or other disposition of oil, natural gas, or any primary product thereof from the domestic production deduction for large integrated oil companies. The bill would freeze the domestic production deduction for income of other taxpayers that is with respect to oil, natural gas, or any primary product thereof at 6%. This *is estimated to raise $9.992 billion over 10 years.*

7-year amortization of geological and geophysical expenditures for certain major integrated oil companies. The bill increase the amortization period for geological and geophysical expenditures(G&G costs) from 5 years to 7 years for large integrated oil companies. *Estimate to raise $103 million over 10 years.*

Clarification of foreign oil and gas extraction income. The tax code limits the ability of oil and gas companies to claim foreign tax credits with respect to foreign oil and gas extraction income. Because of this limitation, there is a potential for oil and gas companies to manipulate their extraction income in order to achieve beneficial result under U.S. foreign tax credit rules. This bill eliminates this potential, and would expand the present-law foreign oil and gas extraction income rules to apply to all foreign income from production and other activity related to the sale of oil and gas. *Estimated to raise $3.187 billion over 10 years.*